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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	85528202
Applicant	Grain Audio, LLC
Applied for Mark	GRAIN AUDIO
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In re Application of:

Applicant:	Grain Audio, LLC	
Serial No:	85/528,202	Trademark Examining Attorney: Melissa Vallillo
Filed:	January 30, 2012	Law Office 113
Trademark:	GRAIN AUDIO	

APPLICANT'S APPEAL BRIEF

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DESCRIPTION OF THE RECORD

The record consists of the application file, including: (1) the application as filed under Trademark Act Section 1(b) on January 30, 2012; (2) first Office Action, dated May 14, 2012, citing U.S. Registration No. 2,966,216, as well as U.S. Registration Nos. 3,342,337 and 3,468,040; (3) Response to Office Action, filed October 12, 2012, with attached declaration of Kelly Garrone ("Garrone Decl.") and Exhibits 1 – 7, as well as attached declaration of Mitchell Wenger ("Wenger Decl."); (4) Final Office Action, dated November 6, 2012; and (5) Notice of Appeal.

STATEMENT OF THE ISSUES AND RECITATION OF THE FACTS

The issue on appeal is whether the Applicant's mark GRAIN AUDIO is likely to cause confusion with the prior registered mark EGRAIN, Registration No. 2,966,216.

The Applicant Grain Audio, LLC (hereinafter the "Applicant") filed the instant application under Trademark Act Section 1(b) on January 30, 2012, based on an intent to use the mark GRAIN AUDIO in connection with the following goods:

> audio speakers, audio amplifiers, audio receivers, audio mixers, audio decoders, speakers, compact disc players, MP3 controllers/players, microphones, audio speakers in the nature of music studio monitors, phonographic record players, audio recording equipment, digital LP converters, wireless speakers, wireless audio players, portable audio players, portable speakers, powered speakers, and bookshelf speakers, in International Class 9;

which was subsequently amended to the following:

> audio speakers, audio amplifiers, audio receivers, audio mixers, audio decoders, speakers, compact disc players, MP3 controllers, MP3 players, microphones, audio speakers in the nature of music studio monitors, phonographic record players, audio recording equipment, namely audio recorders, digital LP converters, wireless speakers, wireless audio players, portable audio players, portable speakers, powered speakers, and bookshelf speakers, in International Class 9;

(the "Applicant's Mark"). On May 14, 2012, the Examining Attorney issued a Non-Final Office Action refusing registration of the Applicant's Mark under Trademark Act Section 2(d) on the basis that the mark is likely to cause confusion with the mark EGRAIN, Registration No. 2,966,216, covering the following goods and services:

> data processing apparatus and systems, namely, computers and computer networks comprising functional electronic units with electronic circuit substrates; autarchic miniaturized microcomputers capable of build-up and organizing a network autonomously by themselves through wireless communication; microprocessors, computer memories, application-specific integrated circuits (asics); radio frequency (rf) receiver and sender, sensor circuit computer hardware; computer peripherals; electronic display panels and electronic display devices, namely, light-emitting diodes (led's); organic light emitting diodes (oled's); liquid crystal displays (lcd's); computer interface boards; transmitters and receivers for telecommunications, namely, radio transmitters, audio receivers; telephone receivers; transmitters and receivers for electronic, analog, and digital signals, namely, television, radio (rf); network software, namely, network access server operating software, in International Class 9, and
>
> research and development on electronics, microelectronics, and informatics, namely, on the informatics of operating systems and of parallel decentralized data processing; design and development of computers, computer networks, namely, body area networks and computer programs, all for others,

in International Class 42 (the "Cited Mark"), owned by Fraunhofer-Gesellschaft zur Forderung der angewandten Forschung e.V. (the "Registrant").[1]

On October 12, 2012, the Applicant submitted arguments and evidence in response to the Non-Final Office Action, asserting, *inter alia*, that confusion is not likely because the appearance, sound, meaning, and overall commercial impressions of the Applicant's Mark and

[1] The Examining Attorney had also cited the prior registered marks FILM GRAIN TECHNOLOGY, U.S. Registration No. 3,342,337 and FILM GRAIN TECHNOLOGY (& Design), U.S. Registration No. 3,468,040 as likely to be confused with the Applicant's Mark. However, the Examining Attorney withdrew the refusal based on these registrations in the Final Office Action.

the Cited Mark are different, the marks cover different goods that are not closely related and are likely sold in different channels of trade to customers with different needs, and the goods covered by the marks are relatively expensive and will be purchased by discriminating and sophisticated purchasers. In support of its arguments, the Applicant submitted an article from an on-line publication and an excerpt from the website associated with the owner of the Cited Mark, both discussing and depicting the products sold in connection with the Cited Mark, as well as an excerpt from the file history of the Cited Mark depicting a specimen of the Cited Mark. See Garrone Decl., Exhibits 4 - 6. All of this evidence demonstrated that the products covered by the Cited Mark are not closely related to the products sold in connection with the Applicant's Mark. See id. The Applicant also submitted excerpts from the Registrant's website, demonstrating that the registrant is an applications-oriented research organization – it is not an audio equipment company like the Applicant. See id. at Exhibit 7.

Finally, the Applicant submitted a declaration of the Applicant's President, Mitchell Wenger, describing the Applicant's goods, the channels of trade in which they are sold, and the customers to whom they are sold, and explaining that the Applicant's goods are relatively expensive and are not impulse purchases. See Wenger Decl. at ¶¶4 - 6. On November 6, 2012, the Examining Attorney issued a Final Office Action maintaining the refusal based on the mark EGRAIN notwithstanding Applicant's arguments and evidence against the refusal.

ARGUMENT

I. There Is No Likelihood Of Confusion

There is no likelihood of confusion between the Applicant's Mark and the Cited Mark because the overall commercial impressions of the marks are vastly different, especially given that the marks cover different, relatively expensive goods sold in different channels of trade to different, discriminating purchasers with different needs. Upon consideration of the most

relevant factors in the multi-factor test described in In re E.I. DuPont DeNemours & Co., 476 F.2d 1357, 177 U.S.P.Q. 563 (CCPA 1973), it is apparent that there is no likelihood of confusion between the marks at issue.

A. The Applicant's Mark is not likely to be confused with the Cited Mark because the appearance, sound, meaning, and overall commercial impressions of the marks are different.

Confusion between the Applicant's Mark and the Cited Mark is not likely because the appearance, sound, meaning and overall commercial impressions of the Applicant's Mark and the Cited Mark are vastly different. The Cited Mark does not include the term AUDIO, and includes other distinguishing elements, which creates an overall mark that is different from the Applicant's Mark in appearance, sound, meaning, and overall commercial impression. Given these fundamental differences, confusion between these marks is highly unlikely.

The Examining Attorney dissects the Applicant's Mark and the Cited Mark into individual components, and asserts that the marks are similar because they share the term GRAIN. However, "[i]t is axiomatic that a mark should not be dissected and considered piecemeal; rather, it must be considered as a whole in determining likelihood of confusion." Franklin Mint Corporation v. Master Manufacturing Company, 667 F.2d 1005, 1007 (CCPA 1981) (affirming TTAB's decision of no likelihood of confusion between marks based on comparison of marks as a whole). In assessing likelihood of confusion, marks should be considered in their entireties as to appearance, sound and meaning. Professional Art Distribution, Inc. v. Internationaler Zeichenverbank Fur Kunstdruckpapier, E.V., 11 U.S.P.Q. 2d 1735 (Fed. Cir. 1989). When the Applicant's Mark is considered in its entirety, it is clear that the appearance, sound and meaning of GRAIN AUDIO is vastly different from the appearance, sound and meaning of EGRAIN.

The fact that the marks share one word is not dispositive, as similarity is based on the total effect of the marks, rather than a comparison of any individual features. See Astra Pharm. Prods. Inc. v. Beckman Instru. Inc., 220 U.S.P.Q. 609, 611 (D. Mass. 1983), aff'd 718 F.2d 1201 (1st Cir. 1983); see also In re Sweet Victory Inc., 228 U.S.P.Q. 959, 961 (TTAB 1986) (finding marks GLACE CONTINENTAL and GLACE LITE were not likely to be confused even though both marks were used in connection with sherbet, because "the overall differences in the marks are sufficient so that while source confusion may be possible, it is not likely"); Lebow Bros., Inc. v. LeBole Euroconf. S.p.A, 503 F. Supp. 209 (E.D. Pa. 1980) (considering the differences in the spelling and number of letters in the marks and finding no likelihood of confusion between LEBOLE and LEBOW CLOTHES); In re Reach Electronics, Inc., 175 U.S.P.Q. 734 (TTAB 1972) (finding no likelihood of confusion between REAC and REACH); J.Wiss & Sons Co. v. Gee Whiz Tool Corp., 364 F.2d 910 (6th Cir. 1966) (finding no likelihood of confusion between WIZZ and GEE WHIZ). The Examining Attorney fails to consider the effect of the entire mark, including elements other than the term that is similar to the term used in the Cited Mark. See New England Fish Co. v. The Hervin Co., 179 U.S.P.Q. 743 (TTAB 1973)(stating that "each case requires consideration of the effect of the entire mark including any term in addition to that which closely resembles the opposing mark," and finding no likelihood of confusion between BLUE MOUNTAIN KITTY O'S mark and KITTY mark). Similar to the "GLACE" marks in In re Sweet Victory, and the "KITTY" marks in New England Fish Co., although the Applicant's Mark and the Cited Mark share one term ("grain,") they are, overall, phonetically dissimilar and visually distinct.

The EGRAIN mark is a one-word, coined term that begins with the letter E and does not include the term AUDIO. In contrast, the Applicant's mark consists of two terms, neither of

which begins with an E. Thus, the appearance, sound, and overall commercial impression of EGRAIN is wholly distinct from that of GRAIN AUDIO. The presence of the additional terms E and AUDIO, which are not similar to each other and serve to distinguish the marks, support a finding that confusion is not likely. See, e.g., Sure-Fit Products Co. v. Saltzson Drapery Co., 117 U.S.P.Q. 295, 297 (CCPA 1958) (affirming Patent Office decision that marks RITE-FIT and SURE-FIT, both used in connection with slip covers, were not likely to be confused, and stating that "[t]he fact of the matter is that 'Rite' and 'Sure' do not look alike or sound alike, factors which we feel...militate against" a finding of confusion). In addition, the meanings of the marks are very different - the mark GRAIN AUDIO suggests something to do with sound, but nothing in the EGRAIN mark suggests that meaning.

The Examining Attorney essentially ignores the term AUDIO in the Applicant's Mark because it has been disclaimed. However, a "disclaimer does not remove the disclaimed matter from the mark. The mark must still be regarded as a whole, including the disclaimed matter, in evaluating similarity to other marks." Trademark Manual of Examining Procedure, October 2012 ed. ("TMEP") §1213.10; see In re Nat'l Data Corp., 753 F.2d 1056, 1059, 224 U.S.P.Q. 749, 751 (Fed. Cir. 1985). Thus, the Board should consider the term AUDIO in the Applicant's Mark when assessing whether or not the parties' marks are confusingly similar.

Further, in considering whether one portion of a mark is most significant in creating a commercial impression, courts commonly consider that the first portions of marks are likely to be most prominent in the eyes of the consumer. See Bunte Bros. v. Standard Chocolates, Inc., 45 F. Supp. 478, 481 (D. Mass. 1942); see also Pikle-Rite Company, Inc. v. Chicago Pickle Co., 171 F. Supp. 671, 675 (N.D. Ill. 1959) ("[c]ommon experience teaches that an individual will more readily remember the first part of a name than some other part," finding that defendant's use of

name POL-PAK on pickle bottles infringed plaintiff's trademark POLKA used to designate varieties of pickles); Coca-Cola Co. v. Carlisle Bottling Works, 43 F. 2d 101, 114 (E.D. Kentucky 1929) (noting the "general rule" that "where the front part of the two trademarks involved differ in appearance, sound, and meaning, there is no infringement even though there may be similarity amounting to identity in the last parts"). The first portion of the EGRAIN Mark is the letter E, which is not included in the Applicant's Mark and is not similar to any portion of the Applicant's Mark. The Examining Attorney argues that the letter E in the Cited Mark is descriptive. However, it is not disclaimed in the Cited Mark, and the combination of the letter E with the term GRAIN creates a new, coined term (EGRAIN) that is not at all similar to the mark GRAIN AUDIO. Thus, the impressions created in the minds of consumers are different, and confusion between the Applicant's Mark and the Cited Mark is not likely.

B. The Applicant's Mark is not likely to be confused with the Cited Mark because the marks are used in connection with different goods that are sold in different channels of trade to different customers.

The Applicant's Mark covers various audio equipment components such as speakers, compact disc players, MP3 players, microphones, and related equipment. The Applicant's products will be sold in retail stores such as Apple, Nordstrom, and Restoration Hardware and via the Grain Audio website, directly to individual consumers for use in their homes. Wenger Decl. at ¶4.

In contrast, the Cited Mark is used in connection with highly technical, specialized products and services unrelated to the Applicant's goods, that are sold in specific channels of trade to sophisticated customers. The goods in connection with which the Cited Mark has been registered include computers, parts for computers and related equipment, but not audio equipment such as speakers, record players and compact disc players that are offered in connection with the Applicant's Mark. Further, to the extent the goods covered by a mark are

unclear, such as the vague and technical identification of goods covered by the Cited Mark, "it is improper to simply consider [those] description[s] in a vacuum and attach all possible interpretations to [them] when the applicant has presented extrinsic evidence showing that the description of goods has a special meaning to members of the trade." In re Trackmobile, Inc., 15 U.S.P.Q.2d 1152, 1153-54 (TTAB 1990). Here, the Applicant has presented significant evidence explaining the nature of the goods covered by the Cited Mark.

For example, an article discussing the products sold in connection with EGRAIN mark depicts the products - miniature (one cubic centimeter) computers with wireless sensors that are small enough to fit inside a golf ball. See excerpt from www.theage.com.au, Garrone Decl., Exhibit 4. A website associated with the owner of the EGRAIN mark also depicts the EGRAIN products, which are comprised of computational unit memory, sensors, actuators, antennae, and radio interfaces. See excerpt from http://cyberphysicalsystem.de/egrain-projekt/, Garrone Decl., Exhibit 5.

The products associated with the Cited Mark involve miniature microsystems, in which components are assembled to a substrate in layers and are or will be used in applications such as those relating to logistics and transport. See id. at Exhibit 4. The EGRAIN mark is displayed on these miniature computer parts, as exhibited on the specimen submitted in connection with the Declaration of Use and Incontestability associated with the EGRAIN Mark, which depicts the EGRAIN mark displayed on a sensor node. See id. at Exhibit 6. The owner of the Cited Mark is focused on "developing methods and technologies that can eventually be used in low-cost, large-scale production environments." Id. at Exhibit 4

Accordingly, the highly technical miniature computers and related parts used for various applications associated with the Cited Mark are not closely related to the common audio

equipment covered by the Applicant's Mark. Further, as discussed in the article cited herein, these highly specialized, technical products are intended to be produced in large volumes and sold to companies in various industries – not at retail stores to individual consumers. See id. at Exhibit 4. In addition, as discussed on the website of the Registrant, this entity is an applications-oriented research organization – it is not an audio equipment company like the Applicant. See excerpt from www.fraunhofer.de, Garrone Decl., Exhibit 7.

If the goods in question "are not related or marketed in such a way that they would be encountered by the same persons in situations that would create the incorrect assumption that they originate from the same source, then, even if the marks are identical, confusion is not likely." TMEP §1207.01(a)(i); see e.g., Quartz Radiation Corp. v. Comm/Scope Co., 1 U.S.P.Q.2d 1668, 1669-70 (TTAB 1986) (QR for coaxial cable held not confusingly similar to QR for various products (e.g., lamps, tubes) related to the photocopying field).

Here, the goods covered by the Cited Mark are highly specialized, technical products that are sold in specific channels of trade to professionals. In contrast, the Applicant's products are common audio equipment sold in retail stores to individual consumers. These products are not related and they are not marketed in such a way that they would be encountered by the same persons, such that they would create an incorrect assumption that they originate from the same source. Consequently, the Applicant respectfully disagrees with the Examining Attorney's characterization of the parties' goods as "identical in part."

The Examining Attorney asserts that the parties' goods both feature "audio receivers" and argues that the identification of goods in the Cited Mark has no restrictions as to nature, type, channel of trade or classes of purchasers. However, the "audio receivers" covered by the Cited Mark are specifically limited to those receivers used for "telecommunications." Thus, the

Registrant's audio receivers are highly specialized and are likely purchased by professionals in the telecommunications industry.

In addition, contrary to the Examining Attorney's assertions, the Registrant's "computer peripherals" do not encompass any of the Applicant's goods, because, as discussed above, the Registrant's vaguely described "computer peripherals" are actually tiny, highly technical computer parts used as a part of miniature microsystems, which are wholly unrelated to the Applicant's retail audio speakers and microphones. Further, given the technical and highly specialized nature of the Registrant's products, they are not sold at retail stores specializing in electronic goods such as those cited by the Examining Attorney. Indeed, none of the evidence cited by the Examining Attorney references the Registrant.

The sole fact that the goods covered by the two marks relate in some manner to electronics or computers is insufficient to create a likelihood of confusion. See, e.g. Sports Authority Michigan Inc. v. P.C. Authority Inc., 63 U.S.P.Q.2d 1782, 1793 (TTAB 2002) ("[t]here is certainly no rule that all computer products and services are related"); In re CE Distribution, LLC, Serial No. 76432582, February 14, 2005 (non-precedential) (finding MOD mark for "audio speakers" not likely to be confused with ULTRAMOD mark for "audio processors for broadcasting and automatic gain controls, fidelity controls, bass, treble and loudness controls, clippers and density modulators"); In re Trend Electronics International, Inc., Serial No. 77003068, (May 9, 2008) (non-precedential) (finding VISTA ACOUSTICS mark for various audio and video electronic equipment for homes and vehicles not likely to be confused with VISTA (& Design) mark for computer conferencing components, namely computer hardware and software for distributing teleconferencing signals, video cameras, video monitors, speakers, video and audio recorders, computer keyboards, power supplies and microphones").

Products in other fields, such as personal care products like lip balm and deodorant, and food products such as butter and shortening, have also been held to be insufficiently related to cause confusion even where the marks are identical, where the products "do not compete nor serve the same purpose." WWW Pharmaceutical Co. Inc. v. The Gillette Co., 25 U.S.P.Q.2d 1593, 1598 (2d Cir. 1992); Standard Brands Inc. v. Peters, 191 U.S.P.Q. 168, 172 (TTAB 1975) (addition of the word "corn" is sufficient to render the mark "CORN-ROYAL" as a whole distinguishable from and registrable over "ROYAL" for butter and margarine products, which are specifically different from shortening for volume deep fat frying); see also Imperial Sugar Company v. Imperial Products, 139 U.S.P.Q. 344, 345 (TTAB 1963) (IMPERIAL mark used for both dessert powders and sugar; no likelihood of confusion because dessert powders and sugar are "such different food products").

The goods at issue in all of these cases are more closely related than are the Applicant's audio equipment and the miniature computers and related components covered by the EGRAIN Mark. Here, the goods are not substitutes or replacements for one another, and they are sold in different channels of trade and are used by consumers with very different needs – for example, a record player is not a reasonable or suitable replacement for computer interface boards, and vice versa. Given these differences between the goods covered by the Cited Mark and the goods sold in connection with the Applicant's Mark, confusion is not likely.

C. The goods covered by the marks are expensive and will be purchased by discriminating purchasers.

In addition to the reasons set forth above, the Applicant's Mark and the Cited Mark are not likely to be confused with one another because the goods and services covered by the marks are relatively expensive and will be purchased by discriminating and sophisticated purchasers. The test for "likelihood of confusion" is conducted with respect to the perception of "reasonably

prudent purchasers," except in the case of a product or service which is considered expensive, where the standard is raised to "discriminating purchasers". See 3 McCarthy on Trademarks and Unfair Competition, 4th ed. (2012), §23:96 at 23-188 and cases cited therein.

The audio equipment sold in connection with the Applicant's Mark is relatively expensive - these products are not impulse purchases. Wenger Decl. at ¶6. For example, the Applicant's audio equipment ranges in price from approximately $99 to $999, and the average price of one of the Applicant's speaker systems is $250. See id. Consumers purchasing such expensive products are likely to spend time and care considering their options and comparing features and prices before selecting those products. The Examining Attorney asserts that confusion is not likely because the Applicant's goods are not purchased by sophisticated consumers. However, "circumstances suggesting care in purchasing may tend to minimize the likelihood of confusion." TMEP §1207.01(d)(vii). Here, given the expensive and technical nature of electronic products, even ordinary retail consumers are likely to exercise care in purchasing and spend time deliberating before making a purchase, thereby eliminating the likelihood that confusion would arise.

Furthermore, considering the highly specialized and technical nature of the products covered by the Cited Mark, those products are also likely to be expensive. Because these products are expensive as well as technical in nature, buyers spend time and effort carefully selecting their purchases during a relatively long sales cycle. Because of the specialized and technical nature of the products covered by the Cited Mark, those products are likely to be purchased by professionals with very specific needs. For example, the goods covered by the EGRAIN Mark are likely to be purchased by companies for use in industries such as logistics and transport. See Garrone Decl. at Exhibits 3 and 4. The purchasers of the goods covered by

the Cited Mark are likely to be educated in the specialized fields in which the products are used, and they are likely to spend time and effort selecting their goods. Professionals carefully compare the offerings of several providers and evaluate them based on criteria such as technical specifications and price. These are far from impulse purchases.

The discriminating purchasers seeking to buy the relatively expensive goods covered by the Cited Mark are not likely to be confused between these goods and the expensive audio equipment sold in connection with the Applicant's Mark. Under these circumstances, where expensive products are purchased by sophisticated buyers after careful consideration and a long buying cycle, the likelihood that purchasers will be confused is greatly lessened. See In re Software Design, Inc., 220 U.S.P.Q.2d 662, 663 (TTAB 1983) (finding that "highly sophisticated, technical, and relatively expensive" nature of the services at issue, which were likely to be purchased only with care and deliberation after investigation, weighed against finding of likelihood of confusion even though marks were phonetically similar); American Optical Corporation v. Atwood Oceanics, Inc., 180 U.S.P.Q. 532, 539 (TTAB 1973) (finding "such factors as highly sophisticated, technical and expensive services purchased by highly placed and informed corporate personnel with care and determination after intensive investigation and research" were "determinative of the question of likelihood of confusion"); Oreck Corp. v. U.S. Floor Systems, Inc., 803 F.3d 166 (5th Cir. 1986). Given the expensive and technical nature of the products at issue, combined with the fact that marks are not similar and the goods are not closely related, confusion between the Applicant's Mark and the Cited Mark is simply not likely to occur.

CONCLUSION

The marks at issue are vastly different in appearance, sound, meaning, and overall commercial impression and they cover expensive goods that are unrelated to and are not

substitutes for one another, and are sold in different channels of trade to different, discriminating consumers. Thus, when viewed in their entireties, and in the context of the differences between the goods, channels of trade and consumers, there is no likelihood of confusion between them. For these reasons and those argued in its prior response, the Applicant respectfully requests that the Board overturn the Examining Attorney's refusal, and remand the application for publication and registration.

Date: June 11, 2013

Respectfully submitted,

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